GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3188
ANSWERED ON:12.05.2006
REDUCTION IN SHARES OF SOME STATES
Singh Shri Sugrib

Will the Minister of FINANCE be pleased to state:

(a) whether the shares of some States are being reduced every year by the Union Government despite the fact that those States are frequently experiencing some kind of natural calamity or the other;

(b) if so, the details of such States and the reasons therefor;

(c) the share in Central Taxes provided to each State during 2005-06; and

(d) the steps being taken to increase the share of such States during 2006-07?

Answer

MINISTER OF THE STATE IN THE MINISTRY QF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) The percentage share of each State in Central Taxes and Duties is based on the recommendation of the Finance Commission and does not change during the award period of that Commission, However, the quantum of devolution to each State during a financial year would depend upon the total collection of tax revenue by the Union Government in that financial year.

(b) Does not arise.

(c) A Statement of share in Central Taxes to each State during 2005-06 is annexed.

(d) Does not arise.